

AN ORDINANCE 2017-06-08-0423

**TERMINATING THE DEVELOPMENT AGREEMENT WITH MISSION DEVELOPMENT GROUP; DECLARING AN UNIMPROVED 5.83 ACRE TRACT OF CITY OWNED REAL PROPERTY LOCATED AT THE INTERSECTION OF INGRAM ROAD AND RICHLAND HILLS DRIVE IN COUNCIL DISTRICT 6 AS SURPLUS AND AUTHORIZING ITS SALE TO THE SAN ANTONIO HOUSING TRUST PUBLIC FACILITY CORPORATION FOR \$1,350,000.00.**

\* \* \* \* \*

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The development agreement with 210 Development Group, doing business as Mission Development Group, approved under Ordinance No. 2015-04-30-0346 is hereby canceled.

**SECTION 2.** The City Manager and her designee, jointly or severally, are authorized and directed to sell to the San Antonio Housing Trust Public Facilities Corporation the 5.83 acre tract, as described in **Attachment I**, which is incorporated herein for all purposes as if fully stated, for \$1,350,000.00. The City Manager and her designee, severally, are authorized and directed to execute and deliver on behalf of the city a deed without warranty, substantially in the form shown in **Attachment II** and in compliance with all local, state, and federal statutes, conveying the above-described property. The City Manager and her designee, severally, are authorized to take all additional actions reasonably necessary or convenient to effectuate the transaction, including executing and delivering all instruments and agreements conducive to effectuating the transaction.

**SECTION 3.** Funds are authorized to be received from San Antonio Housing Trust to SAP Fund 45099000, General Obligation Capital Projects, SAP Project Definition 40-00380, Northwest Area Recreational Facility, and the budget shall be revised by increasing WBS element 23-01535-90-23-01, Proceeds from Sale of Land and SAP General Ledger 4903101, Sale of Land, in the amount of \$1,350,000.00, for the disposition of 5.8 acres of City owned property.

**SECTION 4.** The budget in SAP Fund 45099000, General Obligation Capital Projects, SAP Project Definition 40-00380, Northwest Area Recreational Facility, shall be revised by increasing the SAP WBS Elements as follows:

40-00380-03-14	ROW Acquisition	5209010	Land Acquisition	438,333.32
40-00380-05-01-01	Construction Cap Admin	5402030	Cap Admin Direct	53,333.00
40-00380-05-01-01	Construction Cap Admin	5402050	Cap Admin Indirect	26,667.00
40-00380-05-02-01	Construction	5201140	Construction Cost	831,666.68
			Totals	1,350,000.00

**SECTION 5.** The disposition of property must be coordinated through the City's Finance Department to assure the removal of these assets out of the City's financial records and to record the proper accounting transactions.

**SECTION 6.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 7.** This ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

**PASSED AND APPROVED** this 8th day of June, 2017.



M A Y O R

Ivy R. Taylor

**ATTEST:**

  
\_\_\_\_\_  
Leticia M. Vacek, City Clerk

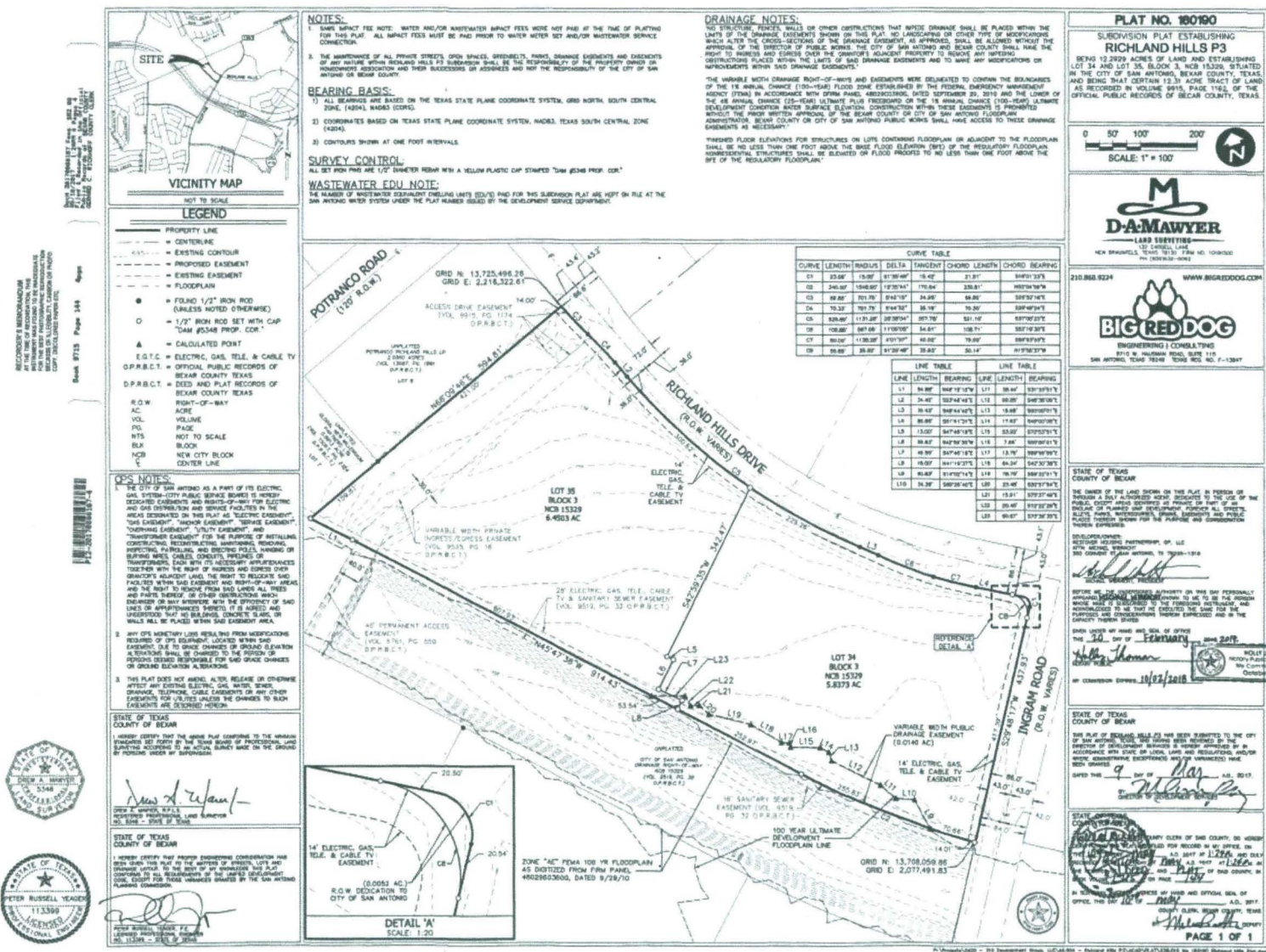
**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Andrew Segovia, City Attorney

<b>Agenda Item:</b>	<b>18A ( in consent vote: 4, 5, 6, 7, 8, 9, 11, 13, 15, 16, 17, 18A, 18B, 19, 20, 21, 22, 23, 24 )</b>						
<b>Date:</b>	06/08/2017						
<b>Time:</b>	09:24:45 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance terminating the Development Agreement with Mission Development Group and authorizing the execution of a Sales Agreement with San Antonio Housing Trust, declaring as surplus and authorizing the sale of approximately 5.8 acres of property in an amount of \$1,350,000.00.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				x
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Ana E. Sandoval	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				



Lot 34, Block 3, NCB 15329, Richland Hills P3 Subdivision



## Attachment II: Form of Contract and Deed

### Real Estate Sales Contract

(XXX)

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**Authorizing Ordinance:** 2015-06-18-0554

**Authority for Negotiated**

**Sale:** Local Government Code § 272.001 (g)

**Seller:** City of San Antonio

**Address:** P.O. Box 839966, San Antonio, Texas 78283-3966  
(Attention: )

**Phone:**

**Email:**

**Type of Entity:** a Texas municipal corporation

**Buyer:**

**Address:**

**Phone:**

**Fax:**

**Email:**

**Type of Entity:** Texas non profit corporation

**Property:** XXX and more fully described in Exhibit A ("Land"), together with any improvements to the Land ("Improvements").

**Title Company:**

**Address:**

**Phone:**

**Email:**

**Purchase Price:**

**Effective Date:** The later of (A) the effective date of the Authorizing Ordinance and (B) the date a representative of the Title Company signs a receipt for this fully executed contract

**County for Performance** Bexar County, Texas

**Closing Date and Time:**

## **1. Purchase and Sale of Property.**

1.01. Seller will sell and convey the Property to Buyer, and Buyer will buy and pay Seller for the Property. The promises by Buyer and Seller stated in this contract are the consideration for the formation of this contract.

1.02. **By signing this Agreement, Buyer acknowledges that it has previously satisfied itself outside the mechanisms of this Agreement about all aspects of the Property, including but not limited to the physical condition of the Property, title-related matters, and environmental-related matters.**

1.03. The representations of the parties on **Exhibit B** are true and correct at the time of signing this Agreement and will be true at Closing.

1.04. The deed delivered at Closing must be substantially in the form shown at Exhibit C.

1.05 Buyer understands and agrees that this sale is subject to the public purpose of developing low or moderate income housing. Buyer understands and agrees that the property shall be subject to a right of reentry if Seller becomes aware that such public purpose is not occurring subject to the conditions stated in the deed.

## **2. Buyer's Activities on the Property.**

If Buyer enters the Property before closing for further inspection or testing or any other reason, Buyer will indemnify, defend, and hold Seller harmless from any loss, attorney's fees, expenses,



or claims arising out of Buyer's investigation of the Property. Further, Buyer releases Seller and those persons acting on Seller's behalf from all claims and causes of action (including claims for attorney's fees and court and other costs) resulting from Buyer's investigation of the Property.

### **3. Closing Documents.**

3.01. At closing, Seller will deliver the following items:

Deed Without Warranty

IRS Non-foreign Person Affidavit

Evidence of Seller's authority to close this transaction

3.02. At closing, Buyer will deliver the following items:

Evidence of Buyer's authority to consummate this transaction

Purchase Price

### **4. Closing.**

4.01. *Closing.* This transaction will close at Title Company's offices at the Closing Date and Closing Time. At closing, the following will occur:

- a. *Closing Documents.* The parties will execute and deliver the Closing Documents.
- b. *Disbursement of Funds; Recording; Copies.* Title Company will be instructed to disburse the Purchase Price and other funds in accordance with this contract, record the deed and the other Closing Documents directed to be recorded, and distribute documents and copies in accordance with the parties' written instructions.
- c. *Possession.* Seller will deliver possession of the Property to Buyer, subject to the Permitted Exceptions existing at closing.

4.02. *Transaction Costs.*

- a. Buyer will pay:
  - i. the basic charge for the Title Policy;
  - ii. all of the escrow fee charged by Title Company;
  - iii. the costs to record all documents to cure Title Objections agreed to be cured by Seller;

- iv. Title Company's inspection fee to delete from the Title Policy the customary exception for parties in possession;
  - v. the additional premium for the "survey/area and boundary deletion" in the Title Policy
  - vi. the costs to obtain the Survey and certificates or reports of ad valorem taxes;
  - vii. the costs to deliver copies of the instruments described in article 1; and
  - viii. Buyer's expenses and attorney's fees.
- b. Seller will pay:
- i. the costs to obtain, deliver, and record all documents other than those to be recorded at Seller's expense;
  - ii. Seller's expenses and attorney's fees.
- c. *Ad Valorem Taxes.* Property owned by Seller is exempt under Texas Property Tax Code § 11.11. At closing property taxes will be prorated according to Texas Tax Code § 26.10. Seller assumes no responsibility for ad valorem taxes for any period, rollback or otherwise, not otherwise imposed on it by law.
- d. *Postclosing Adjustments.* If errors in the prorations made at closing are identified within ninety days after closing, Seller and Buyer will make postclosing adjustments to correct the errors within fifteen days of receipt of notice of the errors.

## **5. Prohibited Interests in Contracts.**

5.01 The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;



(iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;

(iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

5.02 Buyer warrants and certifies as follows:

(i) Buyer and its officers, employees and agents are neither officers nor employees of the City.

(ii) Buyer has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

5.03 Buyer acknowledges that City's reliance on the above warranties and certifications is reasonable.

## **6. Miscellaneous Provisions.**

6.02. *Severability.* If any portion hereof is determined to be invalid or unenforceable, such determination does not affect the remainder hereof.

6.03. *Successors.* This Agreement inures to the benefit of and is binding on the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

6.04. *Integration.* **This Written Agreement Represents The Final Agreement Between The Parties And May Not Be Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.**

6.05. *Modification.*

6.05.01. This Agreement may not be changed orally but only by a written agreement, signed by the party against whom enforcement of any modification is sought. Subject to the foregoing, any of the terms of this Agreement may be modified at any time by the party entitled to the benefit thereof, but no such modification, express or implied, affects the right of the modifying party to require observance of either (i) the same term or condition as it applies on a subsequent or previous occasion or (ii) any other term hereof.

6.05.02. The Director of Transportation and Capital Improvements may, without further action of City Council, agree on behalf of Seller to extensions of deadlines or other non-material modifications to the rights and obligations of the parties under this Agreement.

6.07. *Notices.* Any notice provided for or permitted hereunder must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth in the preamble hereof. The giving of notice is complete three days after its deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use

certified mail does not defeat the effectiveness of notice actually received, but such notice is given only upon actual receipt. Address for notice may be changed by giving notice hereunder.

6.09. *Further Assurances.* The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, shall alter the rights or obligations of the parties as contained in this agreement

6.10. *Waiver of Consumer Rights.* **Buyer Waives Its Rights Under The Texas Deceptive Trade Practices-Consumer Protection Act, Section 17.41 et seq. of The Texas Business and Commerce Code, A Law That Gives Consumers Special Rights and Protections. After Consultation With an Attorney of Its Own Selection, Buyer Voluntarily Consents To This Waiver.**

6.11. *Incorporation by Reference.* All exhibits to this Agreement are incorporated into it by reference for all purposes as if fully set forth.

6.12. *Administrative Agreements.* The Director of the Transportation and Capital Improvements Department and the Assistant Director of the Transportation and Capital Improvements Department may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, and modifications of nonmaterial rights and obligations arising under this agreement and may declare defaults and pursue remedies for such defaults.

## **7. Public Information.**

Buyer acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public. Nothing in this agreement waives an otherwise applicable exception to disclosure.

**In Witness Whereof**, the parties have caused their representatives to set their hands.

**Seller:**

**Buyer:**

**City of San Antonio**, a Texas  
municipal corporation

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed  
Name: \_\_\_\_\_

Printed  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Attest:**

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City Clerk

**Approved as to Form:**

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City Attorney



## Title Company Acknowledgment and Receipt

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**Seller:** City of San Antonio

**Address:** P.O. Box 839966, San Antonio, Texas 78283-3966

**Buyer:**

**Address:**

**Property:**

Title Company agrees to act as escrow agent according to the terms of this Contract. Further, Title Company acknowledges receipt from Buyer of three fully executed counterpart originals of the Contract on the same date, with one fully executed original Contract being returned to each of Seller and Buyer.

**XXX Title Company**

By: \_\_\_\_\_

Printed  
Name:

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## Exhibit A: Property Descriptions

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## Exhibit B: Representations

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### Representations; Environmental Matters

#### A. Seller's Representations to Buyer

Seller represents to Buyer that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Authority.* Seller is a municipal corporation duly organized, validly existing, and in good standing under the laws of the state of Texas with authority to convey the Property to Buyer. This contract is, and all documents required by this contract to be executed and delivered to Buyer at closing will be, duly authorized, executed, and delivered by Seller.

2. *Litigation.* There is no litigation pending or threatened against Seller that might affect the Property or Seller's ability to perform its obligations under this contract.

3. *Violation of Laws.* Seller has not received notice of violation of any law, ordinance, regulation, or requirements affecting the Property or Seller's use of the Property.

5. *Condemnation; Zoning; Land Use; Hazardous Materials.* Seller has not received notice of any condemnation, zoning, or land-use proceedings affecting the Property or any inquiries or notices by any governmental authority or third party with respect to the presence of hazardous materials on the Property or the migration of hazardous materials from the Property.

6. *No Other Obligation to Sell the Property or Restriction against Selling the Property.* Seller has not obligated itself to sell the Property to any party other than Buyer. Seller's performance of this contract will not cause a breach of any other agreement or obligation to which Seller is a party or to which it is bound.

7. *No Liens.* On the Closing Date, the Property will be free and clear of all mechanic's and materialman's liens and other liens and encumbrances of any nature except the Permitted Exceptions, and no work or materials will have been furnished to the Property that might give rise to mechanic's, materialman's, or other liens against the Property other than work or materials to which Buyer has given its consent.

8. *No Other Representation.* Except as stated above or in the notices, statements, and certificates set forth in Exhibit D, Seller makes no representation with respect to the Property.

9. *No Warranty.* Seller has made no warranty in connection with this contract.

#### B. "As Is, Where Is"



**This Contract Is An Arms-Length Agreement Between The Parties. The Purchase Price Was Bargained On The Basis Of An “As Is, Where Is” Transaction And Reflects The Agreement Of The Parties That There Are No Representations, Disclosures, Or Express Or Implied Warranties, Except For The Warranty Of Title Stated In The Closing Documents And Seller’s Representations To Buyer Set Forth In Section A Of This Exhibit B.**

**The Property Will Be Conveyed To Buyer In An “As Is, Where Is” Condition, With All Faults. All Warranties, Except The Warranty Of Title In The Closing Documents, Are Disclaimed.**

The provisions of this section B regarding the Property will be included in the deed with appropriate modification of terms as the context requires.

**C. Environmental Matters**

**After Closing, As Between Buyer And Seller, The Risk Of Liability Or Expense For Environmental Problems, Even If Arising From Events Before Closing, Will Be The Sole Responsibility Of Buyer, Regardless Of Whether The Environmental Problems Were Known Or Unknown At Closing. Once Closing Has Occurred, Buyer Indemnifies, Holds Harmless, And Releases Seller From Liability For Any Latent Defects And From Any Liability For Environmental Problems Affecting The Property, Including Liability Under The Comprehensive Environmental Response, Compensation, And Liability Act (CERCLA), The Resource Conservation And Recovery Act (RCRA), The Texas Solid Waste Disposal Act, Or The Texas Water Code. Buyer Indemnifies, Holds Harmless, And Releases Seller From Any Liability For Environmental Problems Affecting The Property Arising As The Result Of Seller’s Own Negligence Or The Negligence Of Seller’s Representatives. Buyer Indemnifies, Holds Harmless, And Releases Seller From Any Liability For Environmental Problems Affecting The Property Arising As The Result Of Theories Of Products Liability And Strict Liability, Or Under New Laws Or Changes To Existing Laws Enacted After The Effective Date That Would Otherwise Impose On Sellers In This Type Of Transaction New Liabilities For Environmental Problems Affecting The Property.**

The provisions of this section C regarding the Property will be included in the deed with appropriate modification of terms as the context requires.

**D. Buyer’s Representations to Seller**

Buyer represents to Seller that the following are true and correct as of the Effective Date and will be true and correct on the Closing Date.

1. *Authority.* Buyer is a Texas non-profit corporation, duly organized, validly existing, and in good standing under the laws of the state of Texas with authority to acquire the

Property from Seller. This contract is, and all documents required by this contract to be executed and delivered to Seller at closing will be, duly authorized, executed, and delivered by Seller.

2. *Litigation.* There is no litigation pending or threatened against Buyer that might affect Buyer's ability to perform its obligations under this contract.

## Exhibit C: Form of Deed

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**Notice of Confidentiality Rights: If You Are a Natural Person, You May Remove or Strike Any or All the Following Information from Any Instrument That Transfers an Interest in Real Property Before it Is Filed for Record in the Public Records: Your Social Security Number or Your Driver's License Number.**

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State of Texas        }  
                             }  
County of Bexar     }

## Deed Without Warranty

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**Authorizing Ordinance:**

**Statutory Authority:** Local Government Code § 272.001(a)

**SP No./Parcel:**

**Grantor:** City of San Antonio

**Grantor's Mailing Address:** City Of San Antonio, P.O. Box 839966, San Antonio,  
Texas 78283-3966 (Attn: City Clerk)

**Grantor's Street Address:** City Hall, 100 Military Plaza, San Antonio, Texas 78205  
(Bexar County)

**Grantee:**

**Grantee's Mailing Address:**

**Consideration:** \$10 in hand paid and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged.

**Property:**

Grantor, for the Consideration, Grants, Bargains, and Conveys to Grantee, all of Grantor's right, title, interest, and estate, both at law and in equity, as of the date hereof, in and to the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, To Have and To Hold unto Grantee, Grantee's successors and assigns forever, **Without Any Express Or Implied Warranty Whatsoever, Including But Not Limited to Warranties of Title, Condition, or Character.**



The Property is conveyed together with any and all improvements, structures and fixtures located thereon, and with all rights, privileges, rights of way, and easements appurtenant thereto, unless reserved unto other parties herein.

**Reservations, Restrictions, Exceptions, And Conditions To Conveyance:** This conveyance is explicitly subject to the following:

**A. Reservations:** All reservations affecting the Property.

**B. Easements:** All recorded and unrecorded easements, whether or not open and obvious.

**C. Restrictions:** All covenants and restrictions affecting the Property; Grantee shall develop and utilize the property for low income or moderate income housing [to be expanded].

**D. Exceptions:** All instruments affecting the Property, whether or not recorded.

**E. Conditions:** All conditions affecting the Property.

This conveyance does not relieve Grantee of any building, zoning, or other city-imposed requirements, or other land use restrictions applicable to the Property or the obligation to pay any real estate taxes that may otherwise be due.

**Grantor expressly disclaims any and all warranties arising by common law, statute (including without limitation the implied warranties of § 5.023, Texas Property Code or any successor statute), or otherwise.**

**Setting Out The Specific Reservations And Disclaimers Does Not Imply That The Property Is Free Of Other Encumbrances Or Adverse Claims Or Conditions. Grantor Specifically Disclaims Any Such Implication.**

**In Witness Whereof,** Grantor has caused its representative to set its hand:

**Grantor:**

**City of San Antonio,** a Texas municipal corporation

By: \_\_\_\_\_

Printed  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Draft. This is only to show the agreed form of the final document. This draft deed is neither ready nor suitable to be signed.**

**Approved As To Form:**

By: \_\_\_\_\_  
City Attorney

The State of Texas     }

County of Bexar       }

Before me, the undersigned authority, this instrument was this day acknowledged by \_\_\_\_\_, of and for the City of San Antonio, a Texas municipal corporation, on behalf of that entity in the capacity stated.

Date: \_\_\_\_\_

\_\_\_\_\_  
Notary Public, State of Texas

My Commission Expires: \_\_\_\_\_

**After Recording, Return To:**

\_\_\_\_\_  
\_\_\_\_\_